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1944 Registry 3263/3263/31 FROM Foreign Office Minute. (A) No.Dated Received in Registry 30th May, 1944. TO BE REPRODUCED PHOTOGRAPHICALLY WITHOUT PERMISSION E: Palestine and Transjordan. Last Paper. References. M 04 (Print.) (How disposed of.) 0 40151

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Italian interests in Palestine. Draft letter to Mr. Boyd (Colonial Office) enclosing copy of, and requesting comments upon, memorandum regarding Italian interests in Palestine (E 7666/7666/31-1943) and requesting Colonial Office agreement to insertion in peace treaty with Italy of clause covering renunciation of Italian claims in Palestine.

Jefr hu Bond (co.) from the Boston 31 May

(Action completed.)

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Next Paper.

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(Minutes.)

Avis letter om sikter en til remelt-J til minder om E. 7686/7668/31-1943.

 Registry
No. E-7666/1666/31

H.M.E.

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Dear Boyd,
Colonial Office

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We have been considering in connexion with the draft heads of a peace treaty with Italy (a copy of which has been sent to the Colonial Office), what Italian interests in Palestine are and how far Italian should be called upon to renounce them.

I enclose a memorandum on Italian interests in Palestine. Our preliminary view is that it would be desirable to insert in the treaty a clause on wide and lines whereby Italy renounces any claims she might have in regard to Palestine as one of the Allied and Associated powers during and after the last war and as a former member of the Council of the League of Nations, and any claims to fiscal and customs privileges formerly secured under the Capitulations. We have not as we should be grateful if you would let us know whether you have any comments

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on the memorandum itself and whether you agree that we chould insert a renunciation clause in the treaty on the lines suggested.

Should be in which in. he head.

Your oncerely (Sa) cw Baxter. NOTHING TO BE WRITTEN IN THIS MARGIN.

POREIGN OFFICE, S.W.1.

31st May, 1944.

(E 3263/3263/31)

Dear Boyd,

We have been considering, in connexion with the draft heads of a peace treaty with Italy (a copy of which has been sent to the Colonial Office with Ronald's letter to Gater of the 25th April last U 2617/824/G), what interests Italy claims in Palestine and how far she should be called upon to renounce them.

I enclose a memorandum on Italian interests in Palestine. Our preliminary view is that it would be desirable to insert in the treaty a clause on very wide and general lines, which would cover inter alia the renunciation by Italy of any claims she might have in regard to Palestine as one of the Allied and Associated Powers during and after the last war and as a former member of the Council of the League of Nations, and any claims to fiscal and customs privileges formerly secured under the Capitulations. We have not as yet attempted to draft a formula.

We should be grateful if you would let us know whether you have any comments on the memorandum itself and whether you agree that a renunciation clause on the lines suggested should be inserted in the treaty.

(C.W. Baxter)

E.B. Boyd, //Esq., C.M.G., C.V.O., Colonial Office.

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(E 7666/7666/31)

Italian interests in Palestine.

State Papers Vol. 112 p. 973

State Papers Vol.113, p.797

In order to ascertain the extent of Italian interests in Palestine prior to the entry of Italy into the war in 1940, it is necessary to note that, when Italy joined the Allied Powers in 1915, she received a promise that her interests in the Ottoman Empire would be taken into account. Article IX of the Treaty of London, of April 26, 1915, provided that, in the event of a total or partial partition of Turkey in Asia, Italy would obtain an equitable portion in the Mediterranean region in the neighbourhood of Adalia and that, alternatively, Italian interests would be taken into account if the territorial integrity of the Ottoman Empire should be maintained. It is unnecessary here to enter into details regarding the subsequent discussions during the last war as to exactly what Italy should receive in the Ottoman Empire; it will be sufficient to note (i) that by a decision of the Supreme Council held at San Remo in April 1920 the mandates for Palestine and Mesopotamia were allocated to this country and for Syria and the Lebanon to France; (ii) that by the Treaty of Sevres of August 10, 1920 Turkey retained sovereignty over that part of Anatolia earmarked as an Italian zone; (iii) that a Tripartite Agreement signed by Great Britain, France and Italy on August 10, 1920 recognised inter alia the special interests of Italy in Southern Anatolia; and (iv) that by the course of events in Turkey the British and French concessions to Italy in Asia Minor proved of no value to her.

Disappointed at her lack of success in obtaining an equivalent for what Great Britain and France had received as a result of the Turkish settlement, Italy set out to obtain for herself as much as possible in the way of recognition of her interests, actual or potential in the "A" mandated territories; as the terms of the mandates had still to be approved by the Council of the League of Nations, Italy was in a position to exercise a policy of blackmail and to obtain various assurances without which she could threaten to withhold her approval The present memorandum is of the mandates. concerned only with Palestine so that it will be unnecessary to detail the Anglo-Italian discussions regarding Mesopotamia or the Franco-Italian discussions regarding Syria and the Lebanon; the Palestine discussions are however, dealt with at some length as it may be assumed that the Italian Government did not fail at the time to bring to light any important interest which they considered at the time to be already

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theirs or which they were determined to obtain if possible.

Italian desiderata in Palestine were fully discussed during conversations held in London in the summer of 1922 with an Italian delegation headed by the Italian Minister for Foreign Affairs, Signor Schanzer. At the first meeting, held on June 26th, the latter called attention to the strong feeling in Italy that she had been sacrificed on questions concerning Asia Minor and the Mediterranean, and mentioned that the self-denying provisions of Article 6 of the Tripartite Agreement of August 10th, 1920 placed her, in effect, in a position less advantageous As regards than that of other countries. Palestine in particular, he asked for an open door for Italy and handed in a memorandum containing a list of points on which his Government required assurances. These included the following: -

(i) the non-application in Palestine of the provisions of Article 6 of the Tripartite

Agreement to Italy:

(11) the participation of Italy in any public works (port works, railways, hydro-electric undertakings etc.,) undertaken in Palestine - including the participation of Italian capital and labour;

(iii) the Palestine nationality law not to affect the rights and interests of Italian subjects already in Palestine or others who might establish themselves there for economic or religious motives;

(iv) the establishment of a system of justice, analogous to that existing in Egypt, with a certain number of judges reserved for Italians;

(v) freedom to maintain existing schools and to open others (whether or not by religious bodies) in the future;

(vi) a clarification of the proposals regarding control of the mandatory over religious and philanthropic institutions;

(vii) special customs facilities for goods coming from, or going to, the Italian islands in the Aegean (and the Italian zone in Asia Minor if actually established);

(viii)/

E 6453/6453/65/ 1922 Reference:
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E 6653/6453/65/

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(viii) the Italian Government desired an assurance (similar to that already given to the United States Government) that nothing would be done in the administration of Palestine to the prejudice of the rights, civil or religious, of non-Jewish communities;

- (ix) the Italian Government also desired an assurance that Italian religious missions, their school and philanthropic institutions should continue to enjoy the fiscal and Customs privileges formerly secured under the Capitulations.
- 4. The various questions raised at the meeting of June 26th regarding Palestine were subsequently discussed between representatives of the Colonial Office and the Italian Government, when agreement was reached ad referendum on the following lines:-
 - (1) Article 6 of the Tripartite Agreement would not operate to the disadvantage of Italy;
 - (1i) the terms of the draft mandate were not intended to preclude the participation of Italian enterprise in public works services and utilities and in the development of natural resources so far as these matters were not directly undertaken by the Administration; in the event of such participation, special arrangements could be made to regulate the conditions of such Italian labour as might be admitted into Palestine;
 - (iii) the Italian Government were to be satisfied on the nationality question by the terms of a draft Nationality Law;
 - (iv) the Italian Government were to accept the judicial system, by which foreigners (including Italians) should have the right to be tried, except in trivial cases, by Courts composed of a majority of British judges;
 - (v) His Majesty's Government had no intention of restricting the opening of new Italian schools or to restrict the right of such schools to admit pupils of another community;
 - (vi) the supervision of the mandatory over religious bodies was to be restricted to that required for the maintenance of public order and good government; there was no intention of permitting any arbitrary interference in the internal affairs of any religious community;

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(vii) in the event of the Italian zone of economic priority in Asia Minor materialising, and in the event also of a Customs arrangement being concluded between Palestine and Syria, His Majesty's Government would give favourable consideration to any proposals for a similar agreement in respect of sea-borne traffic between Palestine on the one hand and the Italian Zone and the Aegean islands on the other;

(viii) no objection was seen to the assurance being given regarding civil and religious rights of non-Jewish communities;

(ix) it was impracticable to continue to grant capitulatory rights after the mandate had been confirmed by the League Council, but special privileges might be given to religious charitable etc. institutions, e.g. consignments imported for the use of Italian places of worship, monastic orders etc., schools, orphanages, asylums, hospitals and dispensaries might be admitted free of duty.

It is unnecessary here to follow the course of the subsequent discussions with the Italian Government it being sufficient to recprd that the terms of the Palestine mandate were approved by the League Council on July 24, 1922 and entered into force on September 29, 1923 Volume 116, after the conclusion of an agreement between France and Italy regarding the mandate for Syria and the Lebanon. Italy, as a member of the League of Nations, secured the benefits of Article 18 of the Mandate and her other interests were safeguarded by other articles of the same instrument. In addition, assurances based on the oral agreement reached in 1922 were given to the Italian Government in a memorandum (of which a copy is annexed) sent to the Italian Ambassader in London by Sir Austen Chamberlain on April 29, 1926.

State Papera p. 842. State Papers Volume 118, p. 913.

Confidential 15129

The questions raised by the Italian Government which have already been dealt with in this memorandum may be described as legitimate Italian interests, whether or not His Majesty's Government were prepared in every respect to meet their wishes. There was however another question to which the Italian Government attached importance and in regard to which they attempted to establish a special position for themselves, viz. the Holy Places in Palestine. . It had long been recognised that, on the separation of Palestine from the Ottoman Empire, special measures would have to be taken as regards these Holy Places in view of the conflicting rights and claims of the various Christian Churches, the Jews and the Moslems, and Article 14 of the mandate provided for the appointment of a special commission to study, define and

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determine such rights (It may be mentioned here that, owing to the inability of the Catholic Powers to agree among themselves, the Holy Places commission was never in fact set up).

7. The Italian Government, soon after the cessation of hostilities with Turkey, commenced a series of strenuous and repeated attempts to establish the claim of the King of Italy to ownership of the Coenaculum. This, also known as the Mosque of Nebi Daud, was originally a church which existed in the 4th century and which traditionally marked the sites of the Last Supper and the Descent of the Holy Ghost at Pentecost; the church was held by the Franciscans as a gift from Robert of Naples in 1313 A.D., but later the Moslems seized the place on the ground that it was the segulchre of the prophet David. The Italian Government based their claims to the site on the grounds that the King of Italy was the successor of the Kings of Naples and they also attempted in 1919 to increase the validity of the claim by obtaining a firman from the Turkish Sultan. It is unnecessary here to enter into all the details of this claim, but it may be mentioned that there were other claims and that His Majesty's Government were not prepared to accept the Italian claim or to recognise the validity of any concession granted by the enemy Sultan to one of their allies; His Majesty's Government adopted the attitude, to which they consistently adhered, that the question was international and not purely Italian, and one that could properly, and indeed most conveniently, be dealt with by the Holy Places commission.

8. At a later date Italy attempted to establish for herself a special position as the defender of Catholicism in the East and especially in Palestine. In 1928 the Grown Prince of Italy paid a visit to the Holy Places, and an article in the "Corriere d'Italia" on his return to Italy described his "pilgrimage" as an event of great religious and political importance by which Italy had shown her determination to defend the Catholic rights over the Holy Places and to make it clear to all the authorities, to the schismatics and to all Protestant sects and denominations that in the Orient Italy intended to defend not only her prestige but also the Latin and Catholic traditions; the article went on to call attention to Italy's historic role in Palestine starting with the early Grusades and continuing throughout the centuries with missionary work and the guardianship of the Franciscans of the Holy Places and closed with the assertion that Italy, by

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E 6200/228/65/ 1922

E 14287/4355/88/ 1922

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traditional and divine right, had foremost interests in Palestine and that it was her privilege to see to the Protection of the missionaries and custodians of the Holy Places. (It need hardly be mentioned that these views were not shared by the Holy See). It was this article which presumably gave rise to a question in the House of Commons on May 23, 1928, in reply to which Sir Austin Chamberlain denied that there had been any negotiations with, or pledges given to, the E 27 Italian Government with reference to 1928 Italian protection of the Holy Places.

B 2749/95/65/

9. The Italian Government made no attempt formally to claim protection of Catholic interests in Palestine, but in August, 1928 a private letter was received from the Italian Ambassador calling attention to certain questions regarding the Holy Places. Some of the questions concerned the visit of the Crown Prince and in regard to these, the Italian Ambassador was given the necessary explanation; other questions were regarded by His Majesty's Government as being of an exclusively religious nature without any Italian interest being involved, and the Italian Ambassador was therefore left in no doubt that His Majesty's Government did not regard his government as having any locus standi in the matter.

/ E 5616/95/65/ 1928

10. About 1928 the Italian Government began to bombard His Majesty's Government with complaints in regard to actions by the Palestine administration which they considered were contrary to Itelian interests and rights based inter alia on the terms of the mandate and the assurances given by His Majesty's Government. It is unnecessary to enter into details regarding all the complaints (which covered such questions as the treatment of Italian employees of the administration, the manner in which concessions and public works were dealt with, fiscal and Customs exemptions for religious, scholastic and charitable institutions etc.) as the questions involved depended on various interpretations placed on assurances given either in the mandate or separately, but it may be mentioned that, in a note of September 26, 1931, recapitulating the complaints of his government, the Italian Ambassador stated:-

E 5012/5012/51/

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B 342/342/51/1932

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"His Britannic Majesty's Government "are aware of the very special interest "which, owing to her geographical and "political position, Italy is bound to "display in everything which concerns "the countries of the Eastern "Mediterranean. Moreover, the ancient "and complex historical, religious and "cultural relations which exist between "Palestine and Italy are well known. "In addition, numerous Italian subjects "have been established there for years "and possess interests of some "importance, while spiritual contacts "are of a continuous nature and there "is a fair flow of trade between the "two countries."

11. Special mention must be made however of the desire of the Italian Government to maintain as far as possible the special immunities and privileges which foreign consular officers enjoyed under the former régime. While admitting that the question was provided for in Article 8 of the mandate, the Italian Government sought to maintain that, as the mandate had only a temporary character, privileges of consular officers must remain unimpaired. His Majesty's Government refused to accept this argument and expressed the view that, so long as the mandate remained in force, His Majesty's Government were under no obligation to grant any immunity or Privilege to consular officers in Palestine in excess of what would normally be granted in other territories under the jurisdiction of His Majesty's Government; His Majesty's Government, however, while unable to admit that consular officers in Falestine were entitled, as of right, to expect treatment of a specially favourable nature, were not unmindful of the special position formerly held by consular officers in the Near and Middle East under the régime of the capitulations, and of the political advantages of maintaining their prestige in Middle Eastern territories in so far as this could be done without prejudice to the legal position; the privileges and immunities accorded to consular officers in Palestine had therefore been fixed, as a matter of courtesy, on a liberal scale, and details of the various concessions made in their favour were summarised in a separate memorandum forwarded to the Italian Ambassador (exemptions from certain personal and financial charges, judicial immunities and precedence).

12. In 1933 and 1934 Signor Mussolini began to take a personal interest in the Falestine question; in December,

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1933 Marquis Alberto Theodoli (the President of the Mandates Commission) informed His Majesty's Ambassador at Rome that Signor Mussolini was "assuming the rôle of "protector of the Jews" and that the Italian Government were anxious that all sources of disturbances between Jews and Arabs should be removed, and in February, 1934 Signor Mussolini informed Dr. Weizmann that the ultimate establishment of a Jewish state was inevitable and that he (Mussolini) could exert considerable influence with the Arabs if they were inclined to make trouble. It is not proposed to follow the course of Italian policy as regards Palestine during the Arab-Jewish troubles and during the period of disturbed Anglo-Italian relations resulting from the Abyssinian war and the civil war in Spain. It will be sufficient to pass to the Anglo-Italian discussions in Rome in the spring of 1938, although mention should be made of (1) the Anglo-Italian declaration of January 2, 1937, which provided inter alia that both governments disclaimed any desire to modify or, so far as they were concerned, to see modified, the status quo as regards national sovereignty of territories in the Mediterranean area; and (ii) Italy's decision in December 1937 to withdraw from the League of Nations; it should be noted however that Italy did not thereby immediately cease to be a Member of the League, as Article I of the Covenant provides for two years' notice of withdrawal, so that, while Italy no longer participated in the work of the League. she was entitled, during the period of notice, to the benefits conferred by the Palestine Mandate upon League members.

13. On March 4, 1938 Lord Perth was authorised to initiate negotiations for a détente in Anglo-Italian relations in the Mediterranean, in the Near and Middle East and in Abyssinia, and, as regards Palestine in particular, he was informed that it might be possible, and certainly would be desirable, to obtain from the Italian Government an undertaking that they would refrain from any attempt to create difficulty for His Majesty's Government either in the framing of policy for, or in the administration of, Palestine, provided His Majesty's Government on their side were willing to undertake to respect legitimate Italian interests in that country. Prior to the initiation of the conversations at Rome, the question of British and Italian desiderata was carefully considered by His Majesty's

E 7823/6498/31 1933

E 1279/96/31 1934

Treaty Series No. 14/1937

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E 1311/330/31/ 1938 Government. The main desiderata of His Majesty's Government were that pro-Italian and anti-British propaganda should cease and that Italy should raise no objection to a solution of the Palestine problem on the basis of partition. Apart from political grounds, the Italian Government might claim to be consulted in regard to any change in the existing mandate on the following grounds:

- (1) as a Member of the League (during the currency of the period of notice of withdrawal);
- (11) as the recipients of the assurances of 1926;
- (111) as the recipients of the assurances in the "Gentlemen's Agreement" of January 2, 1937.

E 1424/330/31/ 1938 As regards (ii) it may be noted that Mr. Beckett expressed the opinion, that, from the strictly legal point of view, there was much to be said for the contention that the 1926 assurances were supplementary to the mandate, were given to Italy on the footing that she was a Member of the League already entitled to invoke the mandate and disappeared when Italy ceased to be a Member.

E 1561/330/31/ 1938

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14. At the outset of the Anglo-Italian discussions regarding Palestine, Mr. Rendel explained to the Italian representatives that His Majesty's Government would like a general assurance that the Italian Government would not cause them any unnecessary difficulty when the time came to reach a solution of the Palestine question; he said His Majesty's Government realised that Italy had important interests in that country but that any settlement eventually devised would have to be approved by the League Council, who would jealously watch over any international and foreign interests involved, and Italian interests and privileges would be safeguarded with the rest; there would also no doubt be adequate economic provisions for the maintenance of the open door, and most-favoured-nation treatment would be granted - but on grounds of reciprocity, and not merely, as in existing circumstances, by a unilateral obligation on the part of Palestine. At a subsequent meeting the Italian rights and interests were summarised as follows:-

E 1572/330/31/ 1938

- (1) Italy's general rights were derived from Article 22 of the League Covenant and from the fact that she was one of the Powers who, at San Remo in 1920, had granted the mandate to Great Britain; although Italy no longer participated in the work of the League, she was therefore entitled to a say in the eventual Palestine settlement;
- (11) Italy still considered herself entitled

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to representation on any Holy Places Commission which might be set up under Article 14 of the mendate:

- (111) Italy would claim capitulatory rights in the event of the mandate's coming to an end;
- (17) Italy would expect most-favoured-nation treatment in economic matters:
- (v) Special Italian rights regarding institutions etc. would be presumably covered by any general arrangements for the maintenance of existing rights.

The Italian representatives elso called attention to the importance which they attached to the "military" provisions of the mandate and expressed their concern at the effect on the status quo in the Mediterranean if a Jewish state were set up in close military dependence on His Majesty's Government and if there were any possibility of a development of new British military, neval or air bases.

15. The Italian representatives next produced a draft formula and a draft confidential agreement. E 1610/330/31/ by the draft formule, His Majesty's Government were to declare that the policy and method of administration to be adopted in Palestine would **be in accordance with the terms of the mandate and** with the objects for which the mandate was instituted, and that any future settlement would be reached in agreement with the local populations, and in view of these assurances the Italian Government **would declare their intention of creating no difficulties to** culties for his Majesty's Government in regard to the policy and method of administration to be adopted. The draft agreement provided for the

- (1) His Majesty's Government to declare their intention not to undertake in Palestine and Transjordan works of a military nature not of a defensive nature:
- (11) His Majesty's Government to respect the rights of Italian interests and institutions. which should receive most-favoured-nation treatments
- (111) most-favoured-nation treatment to be accorded to Italy, particularly in economic. commercial and juridical matters, in matters connected with establishment and also in measures taken to escertain, define and regulate all rights and claims regarding the Holy Places and religious communities:
- (iv) His Majesty's Government to recognise the validity of the 1919 firman of the Sultan regarding the Coensculum (i.e. to recognise the Italian claim to ownership);
- (v) His Majesty's Government to recognise that the Abyseinian Holy Places in Palestine depended on the Ethiopian Coptic Church (and not, es

previously/

following points:-

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previously, the Egyptian Coptic Church)

16. His Majesty's Government were not disposed to conclude an arrangement with Italy on these lines and the Italian Government were not disposed to give His Majesty's Government a blank cheque in the settlement of the Palestine question, but eventually oral assurances were exchanged between Lord Perth and Count Ciano on April 16, 1938 in the following terms:

E 2398/330/31/1938

"The question of Palestine has been discussed between the Italian Minister for Foreign "Affairs and his Majesty's Ambassador at Rome in the course of their recent conversations.

"As a result the Italian Minister for Foreign
"Affairs has assured His Majesty's Ambassador
"orally that the Italian Government will abstain
"from creating difficulties or embarrassments
"for His Majesty's Government in the administration
"of Palestine.

"Mis Majesty's Ambassador has assured the "Italian Minister for Foreign Affairs orally "that His Majesty's Government for their part "intend to preserve and protect legitimate "Italian interests in that country.

"The Italian Minister for Foreign Affairs and "His Majesty's Ambassador have, moreover, agreed "that these assurances may be made public".

17. The Italian withdrawal from the League of Nations became effective on December 11, 1939. Before that date however, the Foreign Office were approached unofficially by the Italian Embassy with the suggestion that His Majesty's Government and the Italian Government should reach an agreement according most-favoured-nation rights to Italy in Palestine, on the basis of reciprocity, as from the effective date of Italy's departure from the League. For reasons into which it is unnecessary to enter here, His Majesty's Government were not prepared to conclude such an agreement but they desired nevertheless, on political grounds, not to antagonise the Italian Government in this matter. On January 1, 1940 therefore, a private letter was addressed to Signor Fracassi of the Italian Embassy stating that His Majesty's Government preferred not to complicate the already complicated position in regard to Palestine by fresh agreements of the nature suggested, but that no discrimination was then being made in Palestine between members and non-members of the League and that there was no present intention of according to Italy anything other than the same treatment that was accorded to countries members of the League in all commercial matters.

B 8069/6611/31/ 1939

6611/6611/31/

1939

18. Before closing this memorandum, brief reference should be made to Italian claims advanced in 1939 to what they asserted were former Abyssinian state properties in Palestine. The properties

file E 911/31/1939 file E 257/31/1940

concerned/

file E 889/31/1940

conversed were the Abyssinian Consulate at Jerusalem and certain convents, in regard to which His Majesty's Government consistently took the view that the question of ownership was one for the Courts. The actions brought by the Italian Government in the Palestine Courts were stopped by the entry of Italy into the war, and the Italian claims naturally lost all validity with the re-establishment of Abyssinian independence, so that it is unnecessary to enter into details in this regard.

19. Prom the foregoing, the nature and extent of Italy's interests in Palestine have been sufficiently indicated, but it may be convenient to recapitulate the grounds upon which her special postations prior to her entry into the war in 1940 were based. They are as follows:-

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- (a) Italy's pre-1915 capitulatory rights: these rights are dormant, were merely waived during the validity of the Palestine mandate and would legally revive on the termination of that instrument.
- (b) Italy's status as one of the Principal Allied and Associated Powers during and after the last war, as a member of the Suprement Council who, at San Remo in 1920, allocated the Palestine mandate to Great Britain and as a member of the League Council which finally approved the terms of the mandate.
- (c) The Covenant of the League (Article 22) and the Palestine mandate: Italy ceased legally to enjoy rights under these instruments on her final withdrawal from the League in December, 1939, but, as a matter of policy, His Majesty's Government continued to grant her the same rights as previously.
- (d) The assurances of 1926; some doubt must exist whether these had continued validity after Italy's withdrawal from the League but on general grounds His Majesty's Government were not prepared to deprive Italy of her special privileges and the assurances therefore retained at any rate a nuisance value.
- (e) The alleged <u>firman</u> of the Sultan of Turkey of 1919 regarding the Coenaculum: His Majesty's Government have never admitted the Italian claim but the Italian Government have never, on the other hand, abandoned it.
- (f) The Angle-Italian declaration of January 2, 1937: by this Italy could claim a voice in the settlement of the Palestine question even after she was no longer a member of the Leegue; the outbreak of war between this country and Italy however, naturally deprived this instrument of all validity.

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- (g) The oral assurances exchanged at Rome on April 16, 1938; by these, Italian interests generally were again safeguarded; as in the case of (f) however, these assurances would be affected by the outbreak of war.
- (h) The unofficial assurance given to the Italian Embassy on January 1, 1940; it should be noted that this said that there was no "present" intention etc. and, again, the assurance would be affected by the outbreak of war; it should also be noted that the assurance was limited to "commercial matters".
- (i) Italian claims to properties as the successors of the Abyssinian Government as already mentioned, these were never established and the claims lost all validity on the restablishment of Abyssinian independence.

(Intld.) H. K. Grey.

FOREIGN OFFICE, S. W. 1. 4th December, 1943.

E 3864 3 - JUL 1944 Registry | E 3864/3263/31 Number | Italian interests in Palestine. FROM Mr. Poynton Colonial Office) to Refers to Mr. Baxter's letter dated 31st May (E 3263/3263/31) agreeing that general clause in peace treaty covering renunciation by Italy of Mr. Baxter. claims in Palestine is required, but stating that such 14803/7/44 Received 24th June a clause should not include any specific reference to Mandate position, or be limited in any way to in Registry } 3rd July Palestine. E: Palestine and Transjordan = Last Paper. (Minutes.) E 3263 References. proceed on? Or do you wish us to draft the clause at this stage? (Print.) (How disposed of.) (Action completed.) (Index.) Jus Next Paper.

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14803/7/44 ТОР SECRET E_3864

3 - JUL 1844

Downing Street, JS.W.1. _____29 June, 1944.

Dear Baxter,

As general questions of Armistice and Post-War Policy, Peace Treaties and the like are dealt with so far as the Colonial Office is concerned by our "Defence and General Department", Boyd has passed to me your letter to him No. E 3263/3263/31 of the 31st of May about Italian interests in Palestine. I am sorry that owing to staff changes here, we have been rather a long while in letting you have an answer.

2. We are inclined to agree with the view taken in your letter that it would be as well to include in the treaty a clause on very wide and general lines to ensure the renunciation by Italy of any claims she may have in Palestine, more especially so as to cover any claims which might be advanced independently of Italy's position as a Member of the League, or as derived from the Mandate. You will, however, see from paragraph 2 of Gater's letter to Ronald of the 6th of June that we are anxious that Italy should renounce all rights derived from the Mandate system, not merely those in relation to Palestine, and/

C.W. BAXTER, ESQ., C.M.G., M.C.

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and we should therefore deprecate any special reference to the Mandate in the clause dealing specifically with Palestine. In our view, a general clause on the lines you suggest is required, which should be drawn very widely and cover any possible claims in respect to Palestine. Such a clause should not however include any specific reference to the Mandate position, which should be covered, along with the Congo Basin Treaties, by a suitable general clause, covering all aspects of this matter, and in no way limited to, or specifying Palestine.

Subject to that, we agree with your idea of a renunciation clause relating to Palestine and should be glad to see a draft in due course.

Yours sincerely,

(lue marked lais TOP SECRET because the Conshartace asubioned at x1 is so graded).